No. 94-2003

IN THE
Supreme Court of the United States
OCTOBER TERM, 1995

LOTUS DEVELOPMENT CORPORATION,

Petitioner,

v.

BORLAND INTERNATIONAL,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the First Circuit

MOTION OF INFORMATION TECHNOLOGY INDUSTRY COUNCIL FOR LEAVE TO FILE BRIEF *AMICUS CURIAE* IN SUPPORT OF THE PETITION FOR A WRIT OF CERTIORARI AND BRIEF *AMICUS CURIAE*

JOHN F. COONEY
Counsel of Record
KENNETH C. BASS, III
JOHN G. MILLIKEN
VENABLE, BAETJER, HOWARD & CIVILETTI, LLP
1201 New York Avenue, N.W.
Suite 1000
Washington, D.C. 20005-3917
(202) 962-4800

Counsel for Information Technology Industry Council

July 7, 1995

PRESS OF BYRON S. ADAMS, WASHINGTON, D.C. 1-800-347-8208

No. 94-2003

IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1995

LOTUS DEVELOPMENT CORPORATION,
Petitioner,

v.

BORLAND INTERNATIONAL, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the First Circuit

MOTION OF INFORMATION TECHNOLOGY INDUSTRY COUNCIL FOR LEAVE TO FILE BRIEF AMICUS CURIAE IN SUPPORT OF THE PETITION FOR A WRIT OF CERTIORARI AND BRIEF AMICUS CURIAE

The Industry Technology Industry Council ("ITI") respectfully moves for leave to file the attached Brief *amicus curiae* in support of the Petition for a Writ of Certiorari. The consent of the attorney for the Respondent was requested but refused.

The interest of ITI in this case arises from its representation of the leading United States providers of information technology products and services. Most of its members author and publish computer programs to license in the open market. ITI's membership comprises a major segment of the United States economy. In 1992, their revenues were over $277 billion worldwide. They employ over one million people in the United States, a significant number of whom write computer programs. They also fund over 16% of all research and development in the United States, much of which involves authoring creative computer programs.

It is believed that the Brief which amicus curiae is requesting permission to file will contain a more complete description of the importance of the decision of the First Circuit for the software industry, a field which has been marked by rapid innovation, and in which the United States currently leads the world. Much of that innovation involves advances in the user interfaces, such as the decision tree hierarchy deemed unprotectable by the court of appeals. However, innovation and enhancement of the interface is critical to promoting the user friendliness of programs, and thus to the realization of the enormous efficiencies offered by the widespread distribution of personal computers to large numbers of non-technically trained people.

ITI believes that the Court's decision that user interfaces are unprotectable under 17 U.S.C. § 102(b), and that one may freely copy elements of a program interface designed by others, has significant implications for the degree of copyright protection to be afforded United States software in this country and other countries, and thus affects the international competitiveness of this industry. The Petition raises an important legal question that warrants review by the Court at this time.

Respectfully submitted,

_____

Kenneth C. Bass, III

Venable, Baetjer, Howard & Civiletti, LLP
1201 New York Ave.
Suite 1000
Washington, D.C. 20005-3917
(202) 962-4800

Counsel for
Information Technology
Industry Council

July 7, 1995

Table of Contents

Table of Authorities

Page No.

CASES

STATUTES

OTHER AUTHORITIES

No. 94-2003

IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1995

LOTUS DEVELOPMENT CORPORATION,
Petitioner,

v.

BORLAND INTERNATIONAL, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the First Circuit

BRIEF OF AMICUS CURIAE INFORMATION TECHNOLOGY INDUSTRY COUNCIL IN SUPPORT OF THE PETITION FOR A WRIT OF CERTIORARI

INTEREST OF *AMICUS CURIAE*

The Industry Technology Industry Council ("ITI") submits this Brief as *amicus curiae* in support of the Petition for a Writ of Certiorari.

ITI represents the leading United States providers of information technology products and services. Most of its members author and publish computer programs to license in the open market. ITI's membership comprises a major segment of the United States economy. In 1992, their revenues were over $277 billion worldwide. They employ over one million people in the United States, a significant number of whom write computer programs. They also fund over 16% of all research and development in the United States, much of which involves authoring creative computer programs.

ITI submits this Brief *amicus curiae* in order to emphasize the importance of the decision of the First Circuit for the software industry, a field which has been marked by rapid innovation, and in which the United States currently leads the world. Much of that innovation involves advances in the user interfaces, such as the decision tree hierarchy deemed unprotectable by the court of appeals. However, innovation and enhancement of the interface is critical to promoting the user friendliness of programs, and thus to the realization of the enormous efficiencies offered by the widespread distribution of personal computers to large numbers of non-technically trained people. ITI believes that the Court's decision that user interfaces are unprotectable under 17 U.S.C. § 102(b), and that one may freely copy elements of a program interface designed by others, raises a critical legal question that warrants review by the Court at this time.

REASONS FOR GRANTING THE PETITION

The question whether the user interface of a software program may be copyrighted is a critical legal question of great practical significance for one of the most innovative and internationally competitive industries in the United States. This is an issue of law of broad applicability. Litigation about the copyrightability of user interfaces has been before the courts of appeals for several years and will continue to arise until this question is finally resolved by the Court. The issue is well framed for resolution in this case, because there is no factual dispute whether the respondent in fact copied petitioner's user interface. Further, the First Circuit has adopted an unambiguous rule that decision tree hierarchies in a user interface are not copyrightable as a matter of law under any circumstances.

There is a conflict in approach among the courts of appeals as to whether the user interface portion of a software program may be copyrighted. Software programs are sold in a national market. Further, programs are uniquely portable, in that they may be shipped from one end of the country to another in a few seconds over telephone lines, and software development efforts can readily be shifted from one location to another to take advantage of any disparities in legal rules. Authors of software cannot conduct their business efficiently under the current state of confusion, where there are different rules in different circuits as to the copyrightability of one of the most critical features of computer programs. The importance of this issue justifies granting certiorari at this time.

Finally, the rule adopted by the First Circuit will introduce uncertainty in the law and generate further litigation over software copyright issues. The court below held that the decision tree hierarchy of the user interface is not copyrightable under Section 102(b) of the Copyright Act, 17 U.S.C. § 102(b), because it constitutes a "method of operation", a set of instructions to a machine. But virtually every aspect of software, in both the user interface and other portions of the program, is an instruction to the computer. The distinction drawn by the First Circuit contains no limiting principle by which to differentiate which instructions in a program are copyrightable from those which are not. Accordingly, this rule gives little guidance to authors of software about the scope of their rights. And efforts to apply it are likely to result in much further litigation unless the Court resolves the issue at this time.

I. THIS CASE PRESENTS A LEGAL ISSUE OF GREAT PRACTICAL SIGNIFICANCE TO THE COMPUTER SOFTWARE INDUSTRY

The court of appeals has decided an important legal question that is of great significance to the computer software industry and warrants review by this Court. The question whether the user interface of a computer program is, as a matter of law, copyrightable subject matter is a recurrent legal issue that will continue to arise until finally resolved by this Court. Resolution of this issue is critical to the development of the software industry, both in the United States and internationally.

A. The user interface is one of the most important aspects of a computer program.

It is a shorthand expression for those elements of the program that permit its author to communicate with the user and that permit the user to communicate with the computer. A substantial degree of innovation and creativity are involved in determining how to design the user interface, with the goal of making it "user friendly" -- that is, to make it easier for users of different types of intelligence and experience to understand and utilize various features of the program. The design of the user interface has become increasingly important with the distribution of personal computers to large numbers of non-technically trained users. While the engineering efficiency of the actual applications remains an important technical attribute of a computer, there is a significant art involved in making a program accessible to non-engineers, so that large numbers of average citizens may take advantage of the enormous efficiencies offered by computer technology.

B. Software development is one of the most dynamic industries in the United States economy. United States companies are the acknowledged world leader in the development and marketing of software, especially for the off-the-shelf commercial software that has fueled the revolutionary growth in information technology.

Development of successful software in today's highly competitive market requires a substantial degree of creativity and a significant investment of capital. The software industry depends upon the intellectual property protection afforded by the copyright laws, both to create the incentives to encourage authors to develop new products and to prevent

others from copying the resulting software and improperly diverting the rewards. Denying copyright protection to the fruits of this intense research and development effort, including user interfaces that effectively communicate with large numbers of potential users, will have an adverse impact on this vital industry.

The Federal government has long recognized the importance of providing adequate copyright protection to authors of innovative computer programs. In 1976 and 1980, Congress amended the Copyright Act for the explicit purpose of providing greater copyright protection to computer programs, in order to stimulate greater innovation.[1]/ Since the mid-1980s, both Congress and the President have made sustained efforts to make certain that other countries, especially those in the Pacific Basin, respect copyrights on United States software and do not permit their citizens to pirate the work of this important domestic industry.

The most visible aspects of this program have been the investigations and actions taken by the United States under the "Special 301" provision of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. § 2412(b)(2)(A)). These intense bilateral activities have been complemented by the multilateral Uruguay Round Agreement on the Trade Related Aspects of Intellectual Property Rights, ratified by Congress in 1994 (Pub. L. No. 103-465, § 101(d)(15), 108 Stat. 4809, 4815). Under this Agreement, computer software will receive the highest level of copyright protection available.

1/ Pub. L. No. 94-553, 90 Stat. 2541 (1976); Pub. L. No. 96-517, 94 Stat. 3015 (1980).

Any elements of software that are not protected by copyright in this country are highly unlikely to be protected abroad. Stated another way, if aspects of a software program can be copied freely in this country, then they will be duplicated by software developers in other countries. Thus, the decision below, denying copyright protection as a matter of law to the decision tree hierarchy of a user interface of one popular program, will have significant repercussions on the degree of international competition faced by the United States software industry, in addition to its effects in the domestic market.

C. The First Circuit based its holding on the threshold ground that these elements of the program are not copyrightable because they constitute a "method of operation" -- that is, "the means by which users control and operate Lotus 1-2-3" (Pet. App. at 15a). The decision thus creates a legal question of general applicability, which extends well beyond this particular program. The question of whether the user interface of a program may be copied freely is a recurrent issue that is virtually certain to keep arising until the matter ultimately is resolved by this Court.[2]/

The issue is well framed for resolution by the Court in this case.

--First, the most vexing question in copyright infringement cases, whether the defendant actually copied

---

2/ *See, e.g., Digital Communications Associates, Inc. v. Softklone Distributing Corp.*, 659 F. Supp. 449 (N.D. Ga. 1987); *Manufacturers Technologies, Inc. v. CAMS, Inc.*, 706 F. Supp. 984 (D. Conn. 1989); *Telemarketing Resources v. Symantec Corp.*, 12 U.S. P.Q.2d 1991 (1990); *Brown Bag Software v. Symantec Corp.*, 960 F.2d 1465 (9th Cir. 1992).

the expression of the plaintiff, is not at issue here. The First Circuit found that the case involves "Borland's deliberate, literal copying of the Lotus menu command hierarchy" (Pet. App. at 14a).

> "[W]e are faced only with whether the Louts menu command hierarchy is copyrightable subject matter in the first instance, for Borland concedes that Louts has a valid copyright in Lotus 1-2-3- as a whole and admits to factually copying the Lotus menu command hierarchy." (Id. at 11a (footnote omitted)).

--Second, the First Circuit has adopted a clearly defined legal position, that under no circumstances may copyright protection extend to the aspects of a user interface that "provide[] the means by which users control and operate" the program. (Id. at 15a). Accordingly, this case presents the underlying legal issue in a context that would facilitate its resolution by this Court.

II. THE DECISION OF THE FIRST CIRCUIT CONFLICTS WITH THE DECISIONS OF OTHER COURTS OF APPEALS.

The First Circuit stated that it was navigating in uncharted waters and that it knew of "no cases that deal with the copyrightability of a menu command hierarchy standing on its own (i.e., without other elements of the user interface, such as screen displays, in issue)." (Pet. App. 12a). At another point, however, the court acknowledged that its "holding that methods of operation are not limited to abstractions goes against" *Autoskill, Inc. v. National Educational Support Systems, Inc.*, 994 F.2d 1476 (10th Cir.), *cert. denied*, 114 S. Ct. 307 (1993). (Pet. App. 21a). The Petition discusses at some length the differences in the legal standard applied by the First Circuit and by other Circuits, based on the approach articulated in the Nimmer treatise. (Pet. at 23-26).[3/]

We believe that there is a sufficient conflict in approach among the courts of appeals that, given the importance of the issue, justifies granting certiorari at this time. Computer software is sold in a single nationwide market. It is uniquely portable and could be transmitted from place to place electronically, in order to take advantage

---

3/ D. Nimmer & M. Nimmer, 3 *Nimmer on Copyright*, § 13.03[F][1]. *See Computer Assoc. Int'l, Inc. v. Altai, Inc.*, 982 F.2d 693 (2d Cir. 1992); *Engineering Dynamics, Inc. v. Structural Software, Inc.*, 26 F.3d 1335, 1344 (5th Cir. 1994)("if a best-selling program's interface were not copyrightable, competitors would be free to emulate the popular interface exactly so long as the underlying programs were not substantially similar. This cannot be the law.").

of differences in legal rules from jurisdiction to jurisdiction. Software development requires uniform national standards on the core legal issue of the standards that determine the degree of copyright protection available. This dynamic industry cannot function effectively if the legal rules governing copyrightability of critical aspects of programs differ from circuit to circuit.

Accordingly, the Court should grant certiorari to resolve the conflict among the circuits concerning the legal standards determining the protectability of user interfaces under the Copyright Act.

III. THE DECISION BELOW CREATES UNCERTAINTY ABOUT THE APPLICATION OF THE COPYRIGHT LAWS TO COMPUTER PROGRAMS.

The basis on which the First Circuit articulated its decision creates uncertainty about what elements, if any, of a computer program are copyrightable as a matter of law.

The court of appeals concluded that the menu command hierarchy of the user interface of this program is a "method of operation", which is not copyrightable pursuant to Section 102(b) of the Copyright Act. The court stated that a "method of operation" within the meaning of that provision "refers to the means by which a person operates something, whether it be a car, a food processor, or a computer". (Pet App. at 15a). It further reasoned that the "Lotus command hierarchy provides the means by which users control and operate Lotus 1-2-3". (Id.).

Virtually every aspect of a computer program is an instruction to a machine. Thus, almost every aspect of a program is potentially susceptible to being characterized as a "method of operation" under the First Circuit's opinion. Further, the court's rule contains no limiting principle by which to differentiate those aspects of a program that are copyrightable from those that are not protectable.

Unless the issue is resolved by this Court, the articulation of the legal standard adopted by the court of appeals will generate litigation concerning whether a particular instruction in a program is to be deemed a "means by which users control and operate" the program, which would not be protectable, as opposed to a means by which the consumer operates the computer, which presumably would still be protectable. This important legal question warrants review by this Court.

CONCLUSION

For the reasons set forth above, the petition for a writ of certiorari should be granted.

Respectfully submitted,
John F. Cooney
(Counsel of Record)
Kenneth C. Bass, III
John G. Milliken

Venable, Baetjer, Howard &
Civiletti, LLP
1201 New York Ave.
Suite 1000
Washington, D.C. 20005-3917
(202) 962-4800

Counsel for Amicus Curiae,
Information Technology
Industry Council

July 7, 1995